

January 20, 2015 Work Session
Tax Receiver Presentation

Summary

- 1) New processes and procedures were established and internal controls implemented to ensure all tax bills were printed and mailed.
- 2) Bills were mailed earlier than ever before and all bills were mailed.
- 3) Coordination was improved between the Assessor's Office, Information Technology Department and Tax Receiver's Office in preparing and mailing bills.
- 4) Staff was trained in latest version of the software used to process the tax bills and receipts.
- 5) Scheduling of part-time staff was improved and training of those individuals strengthened.
- 6) Tax Receiver assumed all legal responsibilities of the office similar to other municipalities.
- 7) Results to date have been outstanding:
 - a. Few complaints from the public;
 - b. Collections up over 30% compared to the same time last year;
 - c. More money disbursed to school districts, library districts, and fire districts than this time last year, thus improving cash flow for those jurisdictions

Mailing the Tax Bills

- A systematic plan was developed to ensure all bills would be printed. This was a primary objective in the wake of last year's situation where about 5,000 bills were not printed and mailed to taxpayers. The new system included going through the entire bill printing process but printing to a PDF file instead of paper to evaluate the scope and accuracy of what would be eventually printed to paper. The Town Information Technology department then wrote a custom query that identified the exact number of parcels that would generate a levy. We then compared the number of bills printed in PDF to the total number of parcels that should generate a bill. This was a new internal control for 2014-2015 bill printing.
- The office then printed the actual bills and kept a log during the printing and boxing process that was compared to the PDF trial runs. The boxed tax bills were sent to the distributor/processor and were labeled by bill # and zip code range. The distributor was then required to sign off on the number of bills they received. This was another control that was expanded to ensure all bills would be mailed.
- From the distributor they were returned to the East Hampton post office where the Tax Receiver's office was able to monitor the exact same number of bills that were mailed from the East Hampton post office by the postage charged to the Town.
- At any time in the printing and mailing process, if a bill was damaged it would be reprinted from the Tax Receiver's office and mailed and recorded onto a log.
- There are a total of 24,849 parcels of which 1,519 are zero dollar or section 8. That left 23,330 parcels that generated a levy- the office printed 23,587 bills due to some parcels requesting bills to be sent to multiple addresses. Of these, 23,187 were sent to the distributor for preparation and eventually mailed from the East Hampton post office. The tax office held 254 International addresses and 146 small claims adjustments that were sent directly from our office. All bills were in the mail by Friday December 12th. This is the earliest the town has ever mailed bills, according to staff.

Investment in Human Capital/ Public Opinion

- It is important to develop a positive relationship with the community and instill a confidence in the way their tax revenue is handled. It is the Tax Receiver's job and responsibility, by law, to facilitate and ensure the correct collection of taxes for the Town. In preparing to print bills and collect taxes for the current year the Tax Receiver established a positive and productive working relationship with the Town Assessor's Office and the Information Technology Department which are integral in assisting in the tax collection process.
- Three day training with Govern, the company whose software is used for assessments and tax collection, was extremely beneficial. Although the training was not budgeted for in 2014 and several years prior, management recognized the need and was able to re-evaluate some spending priorities early in 2014 to allow the training in a timely fashion for the 2014-15 tax collection season for many involved in the process. The Tax Receiver's Office highly recommends continued training at least once a year.
- The Tax Receiver's Office processes a tremendous amount of money, information and communication in a very short window of time. It is essential to have a staff that is knowledgeable and experienced. This year the Town Board approved the hiring of part-time staff that would return to the office at key points in the collection process. In the past the positions were not filled in this exact manner. This new staff working closely with our experienced Deputy Tax Receiver and returning staff has improved effectiveness in the office. Collections for the first half payment ran very smoothly and we were able to process payments in a timely manner. To date, at the end of each day all checks in the office were processed. There has been no back log.
- Property owners who came into the office often commented on the efficiency of the staff this year.

Warrant and Tax Rate Calculation

- In most towns it is the Tax Receiver's responsibility to calculate the tax rate and a decision was made to place that responsibility solely back in the Office of Tax Receiver. This decision was fully supported by Finance Division management who consulted with tax offices in other municipalities.
- This year the Tax Receiver, not the Town Budget Officer, was responsible for creating the tabular statement and calculating the tax rates. The new statement was reviewed by and discussed with the Budget Officer to facilitate the transition.
- Although the Tax Receiver worked closely with the Budget Officer this past fall during the entire process, the new system will alleviate this responsibility from the Budget Officer and will allow his staff to focus on the budget and other issues pertinent to that department. The Budget Officer remains responsible for how revenue is disbursed as it is collected.
- The tax roll created was in agreement with the warrant and will not require any further modifications of the warrant for this year.

Note some key figures on payments to the Supervisor for this year versus last year.

- As of this past Friday January 16th the Tax Receiver's Office has collected over \$95 million dollars- this is almost 60% of the total warrant. Of this, \$94,193,000 has been dispersed to the Town Supervisor and Budget Office for disbursement and payment. At this time last year only \$60 million had been turned over to the town. In fact, last year it wasn't until the end of March that the town had received over \$90 million, almost two months later than this year.

- In the end the town always collects the money necessary to fulfill the warrant. The significance of collecting payments in a timelier manner is that the town is able to distribute to the non-town districts like schools, libraries and fire departments more revenue earlier in the year thereby allowing for better cash flow for these jurisdictions.

Changes moving forward:

- Website- Work with the Information Technology Department to develop our website. This will allow individuals to:
 - Print their bill online
 - Update pertinent contact information such as change of address
 - Pay their bills on our website and not through a third party vendor
- Software/ Training